

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:262

ANSWERED ON:19.11.2007

ALLOCATION OF SPECTRUM

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Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the Government proposes to allocate spectrum for 3G services for domestic and foreign sector;
- (b) if so, the details in this regard;
- (c) whether the Government has finalised the modalities and criteria for allotment of licences;
- (d) if so, the details thereof; and
- (e) the number of applications for allotment of licences proposed to be covered during 2007-08?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) to (e) The Government has announced the guidelines for 3G services which are given below and the auction will be open to all eligible parties.

The 3G (3rd generation) mobile telecommunications is the generic name for the next generation of mobile networks that will combine wireless mobile technology with high data rate transmission capabilities. The 3G networks will be capable of providing higher data rates and will also be capable of supporting a variety of services such as high-resolution video and multi media services in addition to voice, fax and conventional data services.

3G spectrum will be permitted in the 2.1 GHz band.

The 3G licences would be granted through a controlled, simultaneous ascending e-auction, by a specialized agency to ensure transparency in the selection process.

Besides the initial, one time spectrum charge, it has been decided that the successful service provider would pay additional spectrum charge of 0.5% of their total Adjusted Gross Revenue (AGR), as the recurring annual spectrum charge. The additional revenue share is proposed to be 1% of AGR after 3 years from the date of spectrum assignment.

The roll out requirements, including rural roll-out, as well as stiff penalties for non compliance of the same has been stipulated.

Mergers will not be allowed during the initial five years. No trading/reselling of spectrum is allowed.

The CDMA spectrum in 800 MHz band for EV-DO applications would be treated separately from 2.1 GHz spectrum. If the CDMA based service provider(s) ask for the EV-DO carrier of 2 x 1.25 MHz, they would have to pay an amount proportionate to the highest bid for spectrum in 2.1 GHz band.